



# NEWS RELEASE

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**Contact:** Carol Chastang (202) 205-6987

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## ***SBA DISASTER LOAN CHECKS PRESENTED TO VICTIMS OF HURRICANE GEORGES***

**SAN JUAN, PUERTO RICO** – First Lady Hillary Rodham Clinton today announced that the U.S. Small Business Administration (SBA) presented disaster loan checks to three Puerto Rican homeowners. The first check disbursement comes just five days after President Clinton declared the island a disaster area in the aftermath of Hurricane Georges.

“The people of Puerto Rico have shown great strength in the effort to rebuild their lives and their homes,” **Mrs. Clinton said.** “The President has asked me to be here today, to see the damage firsthand. We’re happy that SBA’s quick response will allow the disaster victims to make these first ‘down payments’ on Puerto Rico’s economic future.”

In Washington, President Clinton underscored the Administration’s commitment to helping Puerto Rico rebuild. “We will be there every step of the way to help the people of Puerto Rico,” said President Clinton. “The Small Business Administration will play an essential role in the recovery effort.”

The disaster loan checks were presented in a ceremony in San Juan, said SBA Administrator Aida Alvarez, the first person of Puerto Rican heritage to serve in the President's Cabinet.

**“SBA is the nation’s bank in times of disaster, and we are doing all we can to help the families and businesses of Puerto Rico put their lives and their businesses back together,”** said Alvarez. **“SBA staff are literally in the shelters, with the victims of Hurricane Georges, to help them get started on the road to recovery.”**

So far, SBA has approved \$101,500 in disaster loans in Puerto Rico. SBA staff are meeting with disaster victims at shelters in Bayamon, Caguas and San Juan to help island residents complete loan applications. So far, 11,892 Puerto Rico residents have registered for SBA disaster assistance, and 82% of those have been homeowners and renters.

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Puerto Rico residents whose homes or businesses suffered losses are urged to call the Federal Emergency Management Agency (FEMA) at (800) 462-9029 to begin the process for federal disaster assistance. SBA staff are available to answer questions about SBA disaster loans.

Homeowners, renters and businesses of all sizes may apply for SBA low-interest disaster loans. SBA can lend up to \$200,000 for uninsured losses to homes. Homeowners and renters may borrow up to \$40,000 to repair or replace personal property such as furniture, clothing, and automobiles damaged during the disaster.

Businesses of all sizes may borrow up to \$1.5 million to repair or replace real estate, machinery, inventory and other business assets damaged during the disaster. SBA also makes working capital loans to help small businesses cover expenses, even if the business was not physically damaged during the disaster. The maximum for these economic injury loans is \$1.5 million.

After Hurricane Hortense ripped through Puerto Rico in September, 1996, SBA approved over 5,625 disaster loans for \$57 million. In the aftermath of Hurricane Hugo in September, 1989, SBA made 12,177 disaster loans in Puerto Rico for \$105 million.

For more information about SBA disaster loans call (800) 659-2955.

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*The U.S. Small Business Administration, established in 1953, provides financial, technical and management assistance to help Americans start, run, and grow their businesses. With a portfolio of business loans, loan guarantees and disaster loans worth more than \$45 billion, the SBA is the nation's largest single financial backer of small businesses. Last year, the SBA offered management and technical assistance to more than one million small business owners. The SBA also plays a major role in the government's disaster relief efforts by making low-interest recovery loans to both homeowners and businesses. America's 23 million small businesses employ more than 50 percent of the private workforce, generate more than half of the nation's gross domestic product, and are the principal source of new jobs in the U.S. economy.*

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